

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED MEXICAN STATES ON PROMOTING ENTREPRENEURSHIP AND THE GROWTH OF SMALL AND MEDIUM-SIZED ENTERPRISES

The Government of the United States of America and the Government of the United States of Mexico, hereafter referred to as "the Participants";

DETERMINED to enhance their cooperation for the mutual benefit of their people;

RECOGNIZING the importance of entrepreneurs and small and medium-sized enterprises (SMEs) as creators of employment and drivers of economic prosperity;

WELCOMING two decades of opportunities for SMEs to grow, prosper and create jobs through increased trade opportunities under the North American Free Trade Agreement, signed in San Antonio, Texas on December 17, 1992 and entering into force on January 1, 1994;

ANTICIPATING further opportunities for SME growth and job creation with the completion of a high-standard Trans-Pacific Partnership;

DESIRING to strengthen the United States-Mexico bilateral commercial and economic relationship through the High Level Economic Dialogue (HLED), which President Barack Obama and President Enrique Peña Nieto established on May 2, 2013 as a cabinet level, flexible platform intended to advance strategic economic and commercial priorities central to promoting mutual economic growth, job creation, and competitiveness;

COMMITTED to the goals of the Mexico-United States Entrepreneurship and Innovation Council (MUSEIC), particularly with respect to promoting integration of the Participants' small business support infrastructure, including Small Business Development Centers, incubators, export assistance centers, and other centers as appropriate, to create an international network for sharing best practices, exchanging market research, and promoting small business participation in international trade, as well as business growth in local markets;

ADVANCING commitments under the Memorandum of Understanding between the Department of State of the United States of America and the Secretariat of Foreign Relations of the United Mexican States for the Promotion of Gender Equality, the Empowerment of Women, and Women's Human Rights, signed on September 18, 2012;

RECOGNIZING the emphasis the Pacific Alliance has placed on improving the competitiveness of micro, small, and medium-sized enterprises (MSMEs), Mexico's role as a founding member, and the United States' role as an observer;

REAFFIRMING the commitment of the Heads of State and Government of the Western Hemisphere assembled in Cartagena, Colombia for the Sixth Summit of the Americas to promote economic growth with equity and social inclusion by strengthening cooperatives, and MSMEs through, inter alia, innovation, and competitiveness in the countries of the Americas; as well as promote and support, as appropriate, initiatives that expand the contribution of information and communication technologies to innovation, entrepreneurship, productivity, competitiveness, the emergence of MSMEs, and economic growth, within the framework of sustainable development;

Have reached the following understanding:

Section I – General Principles and Activities

1. The Participants intend to strengthen their partnership and collaboration on activities to promote SME growth through support for the Small Business Network of the Americas, the Women's Entrepreneurship in the Americas Initiative, and the Mexican Entrepreneurial Support Network, and other relevant programs and initiatives from both countries.
2. The Participants intend to promote the goals of both the Small Business Network of the Americas and the National Entrepreneurship Institute (INADEM) by:
 - (a) Facilitating the sustainable operation and collaboration of Small Business Development Centers (SBDCs) and the Mexican Entrepreneurial Support Network along with best-in-class business incubators, accelerators, and other business facilitation support programs (programs) designed to promote SME growth nationally and bi-nationally;
 - (b) Supporting the integration of SBDCs, the Mexican Entrepreneurial Support Network, and other programs into a national and bi-national network to provide high quality service; promoting professional development of centers and staff; and facilitating access for a diverse group of SMEs through promotion of the networks and programs.
 - (c) Integrating national networks of centers and promoting direct center-to-center partnerships to form the hemisphere-wide Small Business Network of the Americas.
 - (d) Encouraging participation in web-based platforms for business counselors to share best practices and for clients to link with international suppliers, buyers, and other potential business partners.
 - (e) Sharing best practices, models and methodologies among the SBDCs and the Mexican Entrepreneurial Support Network to enhance the operation of both models.
 - (f) Promoting partnerships between Mexican SMEs and U.S. SMEs, and increasing SME participation in international trade, particularly among the community of free trade partners in the Americas.
 - (g) Addressing major impediments to access to capital for SMEs.
 - (h) Developing opportunities for exchanges between centers, of affiliated students, staff, or faculty.
 - (i) Evaluating the impact of the SBDCs and the Mexican Entrepreneurial Support Network, along with other programs as appropriate with clear metrics that will measure SME growth, employment, productivity, and SME participation in international trade.
 - (j) Collaborating on the implementation of the actions proposed in this Memorandum of Understanding ("MOU") with a wide variety of stakeholders.

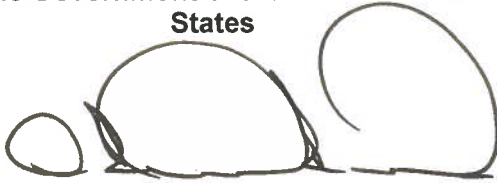
3. The Participants intend to promote the goals of the Women's Entrepreneurship in the Americas Initiative (WEAmericas) by:
 - (a) Working with the private sector to provide leadership and training opportunities for women entrepreneurs and business owners to build the skills and capacity to start and expand their businesses.
 - (b) Providing assistance to women entrepreneurs and the organizations that support them.
 - (c) Bolstering mentoring relationships and other connections within and among networks of Mexican women entrepreneurs and support partnerships with similar networks of women entrepreneurs in the United States.
 - (d) Encouraging financial institutions to increase women entrepreneurs' access to capital.
 - (e) Encouraging public and private sector procurement from women-owned businesses.
4. The Participants intend to further enhance their cooperation in areas including, but not limited to improving SME access to capital and credit, SME participation in government procurement opportunities, helping SMEs recover from natural disasters, and promoting inclusive economic growth more broadly.

Section II – General Terms

1. The Participants intend to develop a work plan detailing specific cooperative activities, the responsibilities of each Participant, and any other information deemed necessary.
2. All activities covered by this MOU are to take place in a manner consistent with the respective national laws and regulations of the Participants.
3. This MOU does not create rights or obligations under international or domestic law. All activities covered by this MOU are subject to the availability of appropriated funds and resources.
4. Activities covered by this MOU are to be coordinated by the Department of State of United States of America and by INADEM.
5. Either Participant may discontinue activities covered by this MOU at any time. A Participant should endeavor to provide a three-month advance notice of its intent to discontinue such activities.
6. This MOU may be modified by the Participants in writing by mutual consent.
7. The Participants intend to address through direct consultations any difference of views regarding the interpretation of this Memorandum of Understanding.
8. The Participants intend for cooperation under this MOU to begin upon its signature.

Signed in San Antonio, Texas, on the 24th day of April, 2014 in two (2) originals in Spanish and English languages.

For the Government of the United Mexican
States

A stylized handwritten signature consisting of several large, overlapping loops and a horizontal line at the bottom.

~~Enrique Jacob Rocha~~
President of the National Entrepreneurship
Institute

For the Government of the United States of
America

A handwritten signature in cursive script, appearing to read 'Caroline Tess'.

Caroline Tess
Deputy Assistant Secretary of State